

Responsible Investment in Agriculture: sustainable and people-centered approaches

**Breakout Session at the UNCTAD Public Symposium, 11 May 2010, 14-15h30
Geneva, Palais des Nations, Room XXVII**

Summary

Over the past years, investments in agriculture, including from foreign sources, have been growing. This development is positive, as many people in developing countries live in rural areas and depend on agriculture for their food supply, income and livelihoods. However, following the food and financial crises, more and more private investors, trans-national corporations and governments have been leasing large extensions of arable land in Africa and Asia to produce food and biofuels for export back home. These international land deals are often arranged in secrecy and without meaningful participation of local communities who own or use the land being negotiated. Thus, often such agreements neither benefit local farmers nor contribute to domestic food security.

To address some of the concerns that rose in the light of the rush over farmland in developing countries, the World Bank, together with FAO, IFAD and UNCTAD, has formulated principles for responsible investment in agriculture. Similarly, the Special Rapporteur on the right to food has proposed a set of principles based on international human rights law. Other international initiatives are the Roundtables on Responsible Investments led by Japan, the USA and the African Union and the Civil Society Dialogue on large-scale land acquisitions¹.

Applying a human rights framework to investment in agriculture can help to improve people's livelihoods. Voluntary guidelines such as those proposed by the World Bank are weak and do not adequately protect the rights of small farmers and others affected. Whilst investors can rely on hard and enforceable rights to protect their foreign investments, local people's land rights are often ignored or non-existing. Moreover, the World Bank (through IFC and FIAS) and governments of developed countries have been promoting foreign investment in agriculture and pushing to liberalize domestic land markets, contradicting the proposed principles.

As a way forward, a moratorium should be considered for countries where unusually large tracts of land are being negotiated. Furthermore, the principles should be operationalised and a tool-kit for governments, including model contracts, established, based on the work by agencies such as IFAD and FAO. New development funding for agriculture should be tied explicitly to the principles. Finally, impact assessments with regard to human rights, social and environmental standards should become mandatory before land deals are negotiated or implemented. National policies to protect land and other rights of local peoples must be ensured. Finally, governments should play a predominant role in developing agriculture and allocate public resources to the sector, rather than support export-oriented agricultural production.

¹ Participants: ILC, ActionAid, AFA, ROPPA, COPROFAM

The breakout session was led by 3D → Trade – Human Rights – Equitable Economy (3D) and the International Institute for Sustainable Development (IISD). The panellists were Mamadou CISSOKHO from the Network of West African Farmers' Organisations (ROPPA), Hafiz Mirza from UNCTAD and Carin SMALLER, adviser for IISD. The session was facilitated by Violette RUPPANNER from 3D.